

- C O M M U N I Q U É -

CANADA, AUSTRALIA, CHILE, NEW ZEALAND AND THE UNITED STATES SIGN AGREEMENT ON THE MUTUAL ACCEPTANCE OF OENOLOGICAL PRACTICES

Dec. 18, 2001 – An agreement on the Mutual Acceptance of Oenological (wine making) Practices was signed today by the governments of Canada, Australia, Chile, New Zealand and the United States in Toronto, Ontario.

Under the Agreement, each country will permit the importation of wines from every other signatory country as long as these wines are made in accordance with the exporting country's domestic laws, regulations and requirements on oenological practices.

The Agreement recognizes that different countries use different wine making practices due to local conditions, climatic variations and traditions, and that grape growing and wine making practices are constantly evolving. Signatories believe that, for countries with strong mechanisms in place to regulate wine making, mutual acceptance is the optimal way to facilitate wine trade.

In other provisions, the Agreement will establish transparency requirements and consultation and dispute mechanisms. The Agreement does not limit signatories' rights or obligations under the World Trade Organization Agreements, including the right to take measures for the protection of human health and safety. Future work includes the negotiating of a wine labelling agreement.

Argentina and South Africa participated in the negotiation of the Agreement and have the option to sign it prior to March 31, 2002. Other countries can accede to the agreement under procedures and conditions established in the Agreement.